Remarks

Upon entry of the foregoing amendment, claims 1 and 3-20 are pending in the application, with claims 1, 11, and 18 being the independent claims. Claims 1, 3, and 5-7 are amended by the foregoing amendment. Claim 2 is sought to be canceled by the foregoing amendment without prejudice or disclaimer of the subject matter therein. Based on the following remarks, Applicants respectfully request that the Examiner reconsider all outstanding objections and rejections, and that they be withdrawn.

Rejection Under 35 U.S.C. § 102

Claims 1 and 8 are rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 6,094,740 to Boccuzzi (hereinafter "Boccuzzi"). Applicants respectfully traverse this rejection.

Claim 1 recites a system for monitoring the quality of a communications channel and has been amended to include:

wherein said SI processor detects bit errors by sampling a phaseshifted version of said output signal having a phase shifted relative to a reference phase.

(See, Claim 1, amended)

Claim 2 was indicated to be allowable if rewritten in independent form. The added *italicized* recitation includes most, but not all, of the features of claim 2, as all of the features of claim 2 are not necessary to overcome the present rejection. Specifically, as compared to claim 2, *zero reference phase* was replaced with *reference phase* in claim 1.

Therefore, Applicants assert that Boccuzzi does not teach or suggest each and every feature of amended claim 1. For example, Boccuzzi does not teach or suggest at

least the feature of wherein said SI processor detects bit errors by sampling a phaseshifted version of said output signal having a phase shifted relative to a reference phase, as recited in amended claim 1.

Accordingly, Boccuzzi does not teach each and every feature of claim 1, and therefore does not anticipate claim 1. Claim 8 depends from claim 1, and therefore is allowable for being dependent on an allowable base claim in addition to its own patentable features. Accordingly, Applicants request that the rejection under 35 U.S.C. § 102 be removed and that all these claims be passed to allowance.

Rejection Under 35 U.S.C. § 103

Claim 9 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Boccuzzi. Applicants respectfully traverse this rejection and respectfully request this rejection be removed and this claim be passed to allowance.

Dependent claims 9 depends from independent claim 1. Independent claim 1 is allowable over Boccuzzi for the reasons mentioned above. Accordingly, dependent claim 9 is also allowable for at least being dependent from allowable base independent claim, in addition to its own respective patentable features. Accordingly, Applicants respectfully request that the rejection under 35 U.S.C. § 103 be removed and that this claim be passed to allowance.

Other Matters

Claims 2-7 stand objected to as allegedly being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. Claim 2 has been canceled

rendering this objection moot. Claims 3-7 and 10 have been amended and depend from independent claim 1, which is allowable for the reasons mentioned above. Accordingly, Applicant respectfully requests that the objection of claims 2-7, and 10 be reconsidered and withdrawn.

Allowed Claims

Applicant thanks the Examiner for indicating the allowability of claims 11-20 in the Office Action.

Conclusion

All of the stated grounds of rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections and that they be withdrawn. Applicants believe that a full and complete reply has been made to the outstanding Office Action and, as such, the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Amendment and Reply is respectfully requested.

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX P.L.L.C.

Jeffrey T. Helvey

Attorney for Applicants Registration No. 44,757

JA Helmer

Date: 8/29/07

1100 New York Avenue, N.W. Washington, D.C. 20005-3934 (202) 371-2600 JTH/agj SKGF\DCI\S36629.1